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On the Web at: WWW.USDOJ.GOV/USAO/TXW/INDEX.HTML

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INTERNET PHARMACY OPERATION INDICTED

(SAN ANTONIO, TEXAS) A local pharmacist, three doctors, two corporations and another individual are charged in a federal grand jury indictment with conspiring to illegally dispense controlled substances and money laundering offenses related to the operation of an internet pharmacy. The Government alleges in the indictment that the defendants earned over \$7.7 million in the course of their illegal activity.

The three-count indictment charges San Antonio pharmacist **WILLIAM ADAMS STALLKNECHT**, age 55; Kerrville, Texas physician **DAVID LYMAN BRYSON**, age 63; San Antonio physician **ERNESTO ALFONSO CANTU**, age 57; Memphis, Tennessee physician **MARK ROBERT WADE**, age 47; and, San Antonio resident **BRIAN THOMAS HILDEBRAND**, age 34, along with two corporations, the **S & H SCRIPT SHOP, INC.**, and the **PILLBOX MEDICAL CENTER, LLC.**, with conspiring to illegally dispense controlled substances and conspiring to commit money laundering. Stallknecht is also charged in the third count of the indictment with possession of an unregistered firearm.

The indictment is the result of an 18-month investigation by Drug Enforcement Administration, Food and Drug Administration, and Internal Revenue Service - Criminal Investigation, working with the United States Attorney's Office. The investigation focused on the activities of the Pillbox Pharmacy and Stallknecht, a pharmacist licensed in the state of Texas and part owner of Pillbox and its parent companies. Those parent companies include: S&H Script Shop, Inc., and Pillbox Medical Center LLC (dba thepillbox.com, Pill Box Pharmacy, MedicalCenter.net, and Physician Referral 2000). The Pill Box business operation included the web-based pharmacy and a web-based physician referral service, both parts of the scheme to dispense large quantities of hydrocodone and diazepam, as well as other controlled substances and dangerous drugs. The Pill Box website referred customers seeking prescription drugs to a physician referral website in order to obtain a doctor's prescription. The indictment alleges that through the referral website, Hildebrand would schedule internet or telephonic consultations between customers and doctors, including Bryson, Cantu and Wade, for the purpose of issuing prescriptions for the requested drugs. The doctors and Pill Box split an initial consultation fee whenever a prescription was issued. Based solely on the internet or telephonic consultation, Bryson, Cantu and Wade would prescribe such drugs as hydrocodone and diazepam, which Stallknecht and the PillBox pharmacy would fill and dispense. According to the indictment, the doctors would issue prescriptions without establishing a patient history, performing a mental or physical exam, using appropriate diagnostic or laboratory testing, or providing any means to monitor medication response.

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The **PILL BOX** was one of the largest internet operations of its kind. The indictment alleges that, between January 1, 2000, and June 12, 2001, the defendants grossed over \$7.7 million from the internet sales of hydrocodone and diazepam alone.

Both the Texas Board of Medical Examiners and the Tennessee Board of Medical Examiners require that a valid physician-patient relationship exist prior to any doctor prescribing any dangerous medication to an individual. Both of those medical licensing authorities require a documented medical history and a physical examination by the treating physician as well as an evaluation for potential addiction and the development of a treatment plan in order for a valid physician-patient relationship to exist.

The charge of conspiracy to illegally dispense controlled substances carries a maximum punishment of up to 5 years confinement and a \$250,000.00 fine. The charge of money laundering carries a maximum punishment of 20 years confinement and a fine of either \$500,000.00 or twice the value of the property involved in the offense, whichever is greater. The firearm charge carries a maximum punishment of up to 20 years confinement and a \$250,000.00 fine.

This case was the result of an investigation by Drug Enforcement Administration Diversion Investigators, and Special Agents of the Food and Drug Administration and the Internal Revenue Service in coordination with the United States Attorney's Office, Western District of Texas. The Texas Board of Pharmacy and Texas Board of Medical Examiners provided significant cooperation in the course of the investigation. Assistant United States Attorney Greg Surovic is prosecuting this case on behalf of the Government.

It is important to note that an indictment is not evidence of guilt.

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